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DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER of the Petition of Greycliff Wind Prime, LLC To Set Terms and Conditions for Qualifying Small Power Production Facility Pursuant to M.C.A. § 69-3-603	Cause No. D2015.8.64 GREYCLIFF WIND PRIME, LLC'S FIRST SET OF DATA REQUESTS NORTHWESTERN ENERGY
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GREYCLIFF WIND PRIME, LLC'S
SECOND SET OF DATA REQUESTS TO NORTHWESTERN ENERGY

GWP-012

Witness: Bleau J. LaFave

Page BLJ-3

Subject: Unacceptable Contract Terms

On Page BLJ-3 of NorthWestern's ("NWE") additional response testimony, NWE states that some of the terms in the agreement are not acceptable for a Qualifying Facility ("QF"). Please identify

- (a) Each provision of Greycliff's proposed agreement are not acceptable for a Qualifying Facility;

RESPONSE:

GREYCLIFF SECOND DATA REQUESTS TO NWE

- (b) The grounds for their lack of acceptability (i.e., why and on what basis they are not acceptable);

RESPONSE:

- (c) whether assuming NWE's objection to the proposed contract provisions is premised on the difference between a QF and a Community Renewable Energy

RESPONSE:

GWP-013

Witness: Bleau J. LaFave

Page BLJ-3

Subject: ANEA provision

On Page BLJ-3 of NWE's additional response testimony, NWE states the following:

"Section 5.3.2 – ANEA. Prior negotiated CREP and QF PPAs set the Annual Net Energy Amount ("ANEA") threshold at 75-85%. Greycliff appears to be asking for an unreasonably low standard of 65%, which is not acceptable to NorthWestern. For clarification, Greycliff references "seventy-five percent" in the contract, but then also uses the numerical "(65%)" in the same sentence, so its intent is not clear. NorthWestern will not agree to 65%.

Please answer the following questions about this testimony:

- (a) Please provide the basis for NWE's refusal to agree to 65 percent versus 75 percent, and please describe any potential harm to NWE (as opposed to its customers), which would flow from utilizing a 65 percent as opposed to 75 percent ANEA.

RESPONSE:

- (b) Please identify individually (without identifying the party) each and every power sales agreement wherein NWE has insisted on a 75 percent ANEA for a wind development project as well as any contracts wherein the ANEA percentage is less or nonexistent.

RESPONSE:

GWP-014

Witness: Bleau J. LaFave

Page BLJ-3 and 4

Subject: Curtailment Rights

On pages 3-4 of NWE's additional response testimony, NWE states

Section 6.7.1 – Curtailment Right. Greycliff proposes an exception to the general curtailment right and references federal law to support the proposed exception. If the proposed exception is appropriately allowed by federal law, the PPA needs to be clarified as it relates to compensated and uncompensated curtailments.

BJL-4 The curtailment provision is always a point of contention in these contracts and thus requires discussion with Greycliff.

Please answer the following questions about this statement.

- (a) Does NWE believe that federal law, specifically 18 C.F.R. § 292.304(f) and FERC constructions of that provision preclude utility curtailments of QFs based on light loading conditions in long-term contracts?

RESPONSE:

- (b) What is NWE's position on whether, if federal law precludes curtailments of QFs with long-term contracts based on light loading conditions, how compensated and uncompensated curtailments would work in practice? In other words, when would the QF be paid for compensated curtailments?

RESPONSE:

GWP-015

Witness: Bleau J. LaFave

Page BLJ-4

Subject: Remedies and Damages

On Page BLJ-4, NWE states:

4. Section 9.5.2. Greycliff substantially changed the provisions related to remedies and damages. NorthWestern will not accept the proposed revisions of 9.5.2 as drafted by Greycliff.

- (a) Please identify each and every change in remedies and damages that NWE finds objectionable.

RESPONSE:

- (b) Please explain the basis of the reasoning behind each such change you would make on remedy and damages provision in 9.5.2, including a legal and policy justification for each such change you would make to the proposed Greycliff agreement.

RESPONSE:

GWP-016

Witness: Bleau J. LaFave

Page: BJL-4

Subject: Obligation of utilities to provide power to QFs

On page BJL-4, NWE states:

Section 16.8 – Obligation to Provide Electrical Service. Relying on numerous federal regulations, Greycliff requires NorthWestern to provide house power to the facility. NorthWestern will not accept this provision as revised by Greycliff.

- (a) Please explain what NWE means by “house power”?

RESPONSE:

- (b) Does NWE believe “house power” is the equivalent of “backup” power or other existing tariffed service obligations? Please explain.

RESPONSE:

GWP-017

Witness: Bleau J. LaFave

Page: BLJ-4

Subject: periodically incorporated provisions into standard offer QF contracts
Assumptions

On page 4 of NWE’s testimony, NWE states in response to a question about other concerns about Greycliff’s proposed agreement as follows:

NorthWestern periodically incorporates updates to its standard QF PPA forms. The PPA proposed by Greycliff does not include these updated provisions.

Please answer the following questions about this statement:

- (a) What periodically updated standard QF PPA forms is NWE referring?

RESPONSE:

- (b) Please provide a list of each of the updated provisions NWE is referring and the subject matter of each such provision and its intended purpose;

RESPONSE:

- (c) Please provide a list of which QFs (without identifying the name of the project) have entered into these updated provisions, whether they were specifically approved by the Montana Public Service Commission, the in-service date of the projects, and the size of each such project that agreed to the “updated provisions.”

RESPONSE:

- (d) Explain why it is appropriate to adjust the avoided cost for each new QF larger than 3 MW (the standard offer threshold) but to offer the same contract provisions for large and small QFs when NWE does not have a Montana Public Service Commission-approved standard offer contract that has been subject to public review and comment?

RESPONSE:

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served on this 2nd day of December, 2015 upon the following by first class mail postage pre-paid:

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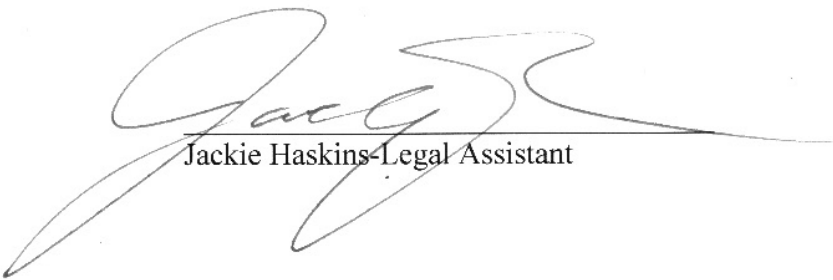
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I hereby certify an original was e-filed, and a copy of the foregoing were hand-delivered to the following:

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Jackie Haskins-Legal Assistant